

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

-----)
)
RETAIL ACCESS OPTIMIZATION) DOCKET NO. N2011-1
INITIATIVE, 2011)
-----)

STATEMENT BY THE PUBLIC REPRESENTATIVE
IN SUPPORT OF INTERVENER'S MOTION NOTICE OF UNITED STATES
POSTAL SERVICE OF FILING OF INITIAL LIBRARY REFERENCES AND
APPLICATION FOR NON-PUBLIC TREATMENT OF MATERIAL

(August 8, 2011)

By motion dated July 28, 2011, Intervener, David B. Popkin, seeks to make public the two non-public Library References filed by the Postal Service, July 27, 2011, in this proceeding.¹ Pursuant to Rule 21 of the Commission's rules of practice, the Public Representative hereby files its Statement in support of Intervener's motion requesting access to the non-public portions of the aforementioned documents filed by the Postal Service.

The Postal Service has not provided enough information to adequately assess the RAO Initiative, to date. The information provided thus far is not sufficient to determine if the initiative considers all of the important factors such as location, revenue, alternative access, and cost savings. This is highlighted by the fact that the Post Service has stated an estimate of the expected savings from implementing the germane initiative publically,² but has yet to provide any cost information in this docket.

The information in two non-public Library References, filed as nonpublic material: USPS-LR-N2011-1/NP1, entitled "Nonpublic Material Related to Postal Locations "Nearest Neighbor" Calculation and Results; and USPS-LR-N2011-1/NP2, entitled "Nonpublic Material Related to Revenue Distribution and Single Stamp Sale Analyses," are vital to

¹ Notice of United States Postal Service of Filing of Initial Library References and Application for Non-Public Treatment of Material, filed by David B. Popkin, July 28, 2011 (Motion).

² See CNNMoney.com article "Donahoe estimated that the savings from the closings could be as much as \$200 million." At http://money.cnn.com/2011/07/26/news/economy/post_office_closings/index.htm

case participants' ability to accurately evaluate the legitimacy and effectiveness of the Postal Service's proposed Retail Access Optimization (RAO) Initiative.

The Postal Service argues that releasing this data would prove commercially harmful and would not clarify relevant issues in this docket, stating:

"Public disclosure of a revenue range for the facilities referenced in USPSLR-N2011-1/NP2 would add nothing to the consideration of the issues raised in this docket, and would likely cause commercial harm to the Postal Service....both USPS-LR-N2011-1/NP1 and USPS-LR-N2011-1/NP2 qualify for non-public treatment because they include sensitive commercial information, [including] facility-specific walk-in revenue...."³

The Postal Service's argument is without merit. First, in Docket No. N2009-1, the Postal Service readily acknowledged the importance of and provided data detailing revenue and other categorical information for postal retail facilities slated for discontinuance.⁴ If the Postal Service is applying the RAO Initiative systematically and consistently, such a list should not be harmful to its purpose, but rather, validate and support it. Second, the basic request here, as in the Motion, is to make already existing information public, thus there would be no draw on additional resources. Third, what is ultimately necessary for an effective evaluation of the RAO Initiative is for the Postal Service to provide comprehensive, facility by facility information detailing the cost data associated with the Initiative, i.e., including the cost effectiveness of closing individual retail outlets. This would include the costs ascribable to each facility and a determination of whether closing the facility would enable the Postal Service to capture appreciable savings.⁵

With the Postal Service's request to nationally apply the RAO Initiative, and thus a nationwide effect looming, it is imperative that all relevant postal retail facility location, cost, and revenue data be made public. Doing so provides the necessary transparency, and is the only way both the public and participants can legitimately assess whether the data and computations upon which the Postal Service is relying are valid and if the potential closures are justified. Such transparency is crucial.

In light of the crucial quantitative and qualitative evidentiary data contained in the Library References USPS-LR-N2011-1/NP1 and USPS-LR-N2011-1/NP2, and the fact that both the Postal Service and Commission have previously recognized the importance of

³ Response of the United States Postal Service in Opposition to David B. Popkin Motion, filed August 4, 2011 (Opposition), at 2-3.

⁴ In addition to walk-in revenue for 2008, the information provided by the Postal Service in Docket No. N2009-1 included retail facilities' individual: street address, number of post office boxes, and specified whether the respective real properties were leased or owned. See, USPS SBOC Discontinuance Study Status Report, September 2, 2009, (2009 Discontinuance Study), Docket No. N2009-1. To date, in the current docket, the postal service has failed to publically provide even the address of the facilities and claims commercial harm from the release of such information. Opposition, at 2.

⁵ See, Presiding Officer's Ruling Concerning Postal Service Motion to Accept Partial Response to Commission Information Request No. 1, Question 15. N2009-1, at 5, filed October 1, 2009.

such data when accessing the economic element of a discontinuance initiative, the Public Representative: supports the Motion of David B. Popkin in requesting public access to the non-public portions of Library References USPS-LR-N2011-1/NP1 and USPS-LR-N2011-1/NP2; requests that the Postal Service be required to provide additional costing information for each facility considered as part of its RAO Initiative; and requests that all retail facility revenue and cost data filed by the Postal Service in the above-captioned case, be made public for the purpose of accessing the legitimacy of the RAO Initiative.

Respectfully Submitted,

/s/ Tracy N. Ferguson
Tracy N. Ferguson
Public Representative for
Docket No. N2011-1

901 New York Avenue, N.W.
Washington, DC 20268-0001
(202) 789-6844; Fax (202) 789-6891
e-mail: Tracy.Ferguson@prc.gov